



Health Services LOS ANGELES COUNTY

Los Angeles County Board of Supervisors

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Hal F. Yee, Jr., M.D., Ph.D.
Chief Medical Officer

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www.dhs.lacounty.gov

To ensure access to high-quality, patient-centered, cost-effective health care to Los Angeles County residents through direct services at DHS facilities and through collaboration with community and university partners.



www.dhs.lacounty.gov

September 29, 2015

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

FISCAL YEAR 2014-15 YEAR-END APPROPRIATION ADJUSTMENTS (ALL DISTRICTS) (4 VOTES)

SUBJECT

Request approval of Fiscal Year (FY) 2014-15 Year-End Budget Adjustments (BA) for the Department of Health Services (DHS).

IT IS RECOMMENDED THAT THE BOARD:

1. Approve the FY 2014-15 Year-End BA (Attachment I) for DHS to adjust its Enterprise Fund obligated fund balances to \$350.5 million as of June 30, 2015; and
2. Approve the FY 2014-15 BA (Attachment II) to reallocate the available funding for the Measure B Special Revenue Fund.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

The Board's approval of these BAs (Attachments I and II) for FY 2014-15 will:

1. Establish obligated fund balances in the DHS Enterprise Fund, as of June 30, 2015, of \$350.5 million resulting from a \$161.2 million FY 2014-15 operating surplus and a prior-year balance of \$189.3 million; and reallocate certain appropriations and revenues within DHS to align them with the Department's FY 2014-15 financial experience; and
2. Align appropriations and revenues within the Measure B Special Revenue Fund in accordance with the Department's FY 2014-15 financial experience.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommended actions support Goal 1, Operational Effectiveness/Fiscal Sustainability, of the County's Strategic Plan.

FISCAL IMPACT/FINANCING

The recommended actions will adjust various departmental budgets to reflect DHS' FY 2014-15 financial experience and also adjust the DHS Enterprise Fund obligated fund balances to \$350.5 million as of June 30, 2015.

The overall Cost Based Reimbursement Clinics (CBRC) long-term receivable balance is reduced to \$155.1 million through FY 2014-15 (see Attachment III). The County has set aside reserve funds to offset these receivables that are owed by the State to the DHS facilities. These reserve funds are comprised of \$109.1 million from General Funds' net County cost and \$46.0 million from the Tobacco Settlement fund.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Not applicable.

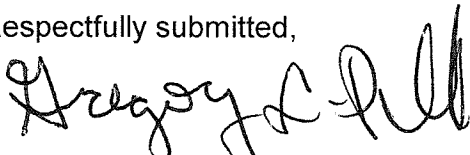
CONTRACTING PROCESS

Not applicable.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

These FY 2014-15 Year-End BAs have no impact on current services.

Respectfully submitted,


FW Mitchell H. Katz, M.D.
Director

MHK:ANW:mg

S:\FSB\miles\Accrual\FY 14-15\B - Closing BA BL

Enclosures (3)

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors
Auditor-Controller

PINK

BA FORM 03/13

BOARD OF
SUPERVISORS
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COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT

DEPARTMENT OF HEALTH SERVICES

DEPT'S.
NO. 110

September 29, 2015

AUDITOR-CONTROLLER:

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. PLEASE CONFIRM THE ACCOUNTING ENTRIES AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF EXECUTIVE OFFICER FOR HIS RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFOR

FY 2014-15

4 - VOTES

SOURCES

See Attachment I-B for details

USES

See Attachment I-B for details

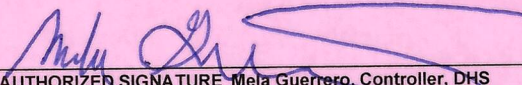
SOURCES TOTAL: \$ 456,333,000

USES TOTAL: \$ 456,333,000

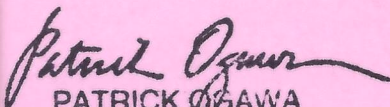
JUSTIFICATION

This budget adjustment is necessary to increase the Department of Health Services (DHS) Enterprise Fund Obligated Fund Balance to \$350.5 million, and to reallocate certain appropriations and revenues within DHS to align them with the Department's FY 2014-15 financial experience.

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES


AUTHORIZED SIGNATURE Mela Guerrero, Controller, DHS

BOARD OF SUPERVISOR'S APPROVAL (AS REQUESTED/REVISED)


PATRICK O'SAWA
ACTING EXECUTIVE OFFICER

REFERRED TO THE CHIEF
EXECUTIVE OFFICER FOR ---

☐ ACTION

☒ RECOMMENDATION

AUDITOR-CONTROLLER

B.A. NO.

910

BY



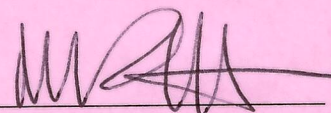
Sept 21 20 15

☒ APPROVED AS REQUESTED

☐ APPROVED AS REVISED

CHIEF EXECUTIVE OFFICER

BY



SEPT 21 20 15

**DEPARTMENT OF HEALTH SERVICES
YEAR-END BUDGET ADJUSTMENT
FISCAL YEAR 2014-15**

4 VOTES

SOURCES:**LAC+USC HealthCare Network**

MN4-HG-1000-60010
Salaries & Employee Benefits 3,574,000
Decrease Appropriation

LAC+USC HealthCare Network

MN4-HG-2000-60010
Services and Supplies 19,490,000
Decrease Appropriation

LAC+USC HealthCare Network

MN4-HG-6030-60010
Capital Assets - Equipment 765,000
Decrease Appropriation

LAC+USC HealthCare Network

MN4-HG-96-9910-60010
Operating Transfers In - Measure B 4,638,000
Increase Revenue

LAC+USC HealthCare Network

MN4-HG-92-943P-60010
Medi-Cal Managed Care 16,096,000
Increase Revenue

Total LAC+USC Healthcare Network

\$ 44,563,000

MetroCare Network

MN1-HH-1000-60020
Salaries & Employee Benefits 6,692,000
Decrease Appropriation

MetroCare Network

MN1-HH-2000-60020
Services and Supplies 7,567,000
Decrease Appropriation

MetroCare Network

MN1-HH-6030-60020
Capital Assets - Equipment 4,862,000
Decrease Appropriation

MetroCare Network

MN1-HH-92-943P-60020
Medi-Cal Managed Care 4,066,000
Increase Revenue

Total MetroCare Network

\$ 23,187,000

Rancho Los Amigos National Rehabilitation Center

MN7-HR-1000-60040
Salaries & Employee Benefits 139,000
Decrease Appropriation

USES:**LAC+USC HealthCare Network**

MN4-HG-96-9911-60010
Operating Transfers In 2,021,000
Decrease Revenue

LAC+USC HealthCare Network

MN4-HG-5500-60010
Other Charges 25,434,000
Increase Appropriation

LAC+USC HealthCare Network

MN4-HG-6100-60010
Other Financing Uses 17,108,000
Increase Appropriation

Total LAC+USC Healthcare Network

\$ 44,563,000

MetroCare Network

MN1-HH-96-9911-60020
Operating Transfers In 720,000
Decrease Revenue

MetroCare Network

MN1-HH-5500-60020
Other Charges 4,913,000
Increase Appropriation

MetroCare Network

MN1-HH-6100-60020
Other Financing Uses 16,654,000
Increase Appropriation

MetroCare Network

MN1-HH-96-9910-60020
Operating Transfers In - Measure B 900,000
Decrease Revenue

Total MetroCare Network

\$ 23,187,000

Rancho Los Amigos National Rehabilitation Center

MN7-HR-6030-60040
Capital Assets - Equipment 287,000
Increase Appropriation

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

52 SEP 29 2015

Patrick Ogawa
PATRICK OGAWA
ACTING EXECUTIVE OFFICER

BA# 910
Cruz 9/21/15

DEPARTMENT OF HEALTH SERVICES
YEAR-END BUDGET ADJUSTMENT
FISCAL YEAR 2014-15

4 VOTES

SOURCES:**Rancho Los Amigos National Rehabilitation Center**

MN7-HR-2000-60040
 Services and Supplies 2,349,000
 Decrease Appropriation

Rancho Los Amigos National Rehabilitation Center

MN7-HR-5500-60040
 Other Charges 354,000
 Decrease Appropriation

Rancho Los Amigos National Rehabilitation Center

MN7-HR-90-9045-60040
 Delivery System Reform Incentive Pool (DSRIP) 18,965,000
 Increase Revenue

Total Rancho Los Amigos NRC \$ 21,807,000

ValleyCare Network

MN3-HO-1000-60050
 Salaries & Employee Benefits 994,000
 Decrease Appropriation

ValleyCare Network

MN3-HO-2000-60050
 Services and Supplies 9,264,000
 Decrease Appropriation

ValleyCare Network

MN3-HO-92-943P-60050
 Medi-Cal Managed Care 20,700,000
 Increase Revenue

Total ValleyCare Network \$ 30,958,000

DHS Enterprise Fund

MN2-HS-6100-60070
 Other Financing Uses 2,741,000
 Decrease Appropriation

DHS Enterprise Fund

MN2-HS-96-9912-60070
 Operating Subsidy - GF 85,068,000
 Increase Revenue

DHS Enterprise Fund

MN2-HS-96-9911-60070
 Operating Transfers In 73,427,000
 Increase Revenue

USES:**Rancho Los Amigos National Rehabilitation Center**

MN7-HR-6100-60040
 Other Financing Uses 21,520,000
 Increase Appropriation

Total Rancho Los Amigos NRC \$ 21,807,000

ValleyCare Network

MN3-HO-5500-60050
 Other Charges 7,669,000
 Increase Appropriation

ValleyCare Network

MN3-HO-6030-60050
 Capital Assets - Equipment 1,406,000
 Increase Appropriation

ValleyCare Network

MN3-HO-96-9910-60050
 Operating Transfers In - Measure B 3,738,000
 Decrease Revenue

ValleyCare Network

MN3-HO-6100-60050
 Other Financing Uses 18,145,000
 Increase Appropriation

Total ValleyCare Network \$ 30,958,000

DHS Enterprise Fund

MN2-3078
 Committed for DHS 87,809,000
 Increase Obligated Fund Balance

DHS Enterprise Fund

MN2-301G
 Committed for LAC+USC HC Network 17,108,000
 Increase Obligated Fund Balance

DHS Enterprise Fund

MN2-3048
 Committed for MetroCare Network 16,654,000
 Increase Obligated Fund Balance

BA#910

 9/21/15

ADOPTED
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COUNTY OF LOS ANGELES

52 SEP 29 2015


PATRICK O'CONNELL
ACTING EXECUTIVE OFFICER

**DEPARTMENT OF HEALTH SERVICES
YEAR-END BUDGET ADJUSTMENT
FISCAL YEAR 2014-15**

4 VOTES

SOURCES:

Total DHS Enterprise Fund	<u>\$ 161,236,000</u>
Total Enterprise Funds	<u>\$ 281,751,000</u>

Health Services Administration

A01-HS-1000-20000	
Salaries & Employee Benefits	207,000
Decrease Appropriation	

Health Services Administration

A01-HS-2000-20000	
Services & Supplies	7,780,000
Decrease Appropriation	

Health Services Administration

A01-HS-5350-20000	
S&S Expenditure Distribution	9,010,000
Decrease Appropriation	

Health Services Administration

A01-HS-5500-20000	
Other Charges	8,475,000
Decrease Appropriation	

Health Services Administration

A01-HS-6030-20000	
Capital Assets - Equipment	221,000
Decrease Appropriation	

Health Services Administration

A01-HS-90-9045-20000	
Delivery System Reform Incentive Pool (DSRIP)	39,464,000
Increase Revenue	

Health Services Administration

A01-HS-94-R961-20000	
CHP Equity Distribution	33,233,000
Increase Revenue	

USES:**DHS Enterprise Fund**

MN2-3081	
Committed for RLANRC	21,520,000
Increase Obligated Fund Balance	

DHS Enterprise Fund

MN2-3061	
Committed for ValleyCare Network	18,145,000
Increase Obligated Fund Balance	

Total DHS Enterprise Fund	<u>\$ 161,236,000</u>
Total Enterprise Funds	<u>\$ 281,751,000</u>

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COUNTY OF LOS ANGELES

52

SEP 29 2015

Patrick Ogawa
PATRICK OGAWA
ACTING EXECUTIVE OFFICER

Managed Care Services

A01-HP-92-942A-19975	
In-Home Supportive Services	3,478,000
Decrease Revenue	

BA#910
Ogawa 9/21/15

**DEPARTMENT OF HEALTH SERVICES
YEAR-END BUDGET ADJUSTMENT
FISCAL YEAR 2014-15**

4 VOTES

SOURCES:**USES:****Juvenile Court Health Services**

A01-HJ-1000-20600	
Salaries & Employee Benefits	731,000
Decrease Appropriation	

Juvenile Court Health Services

A01-HJ-2000-20600	
Services and Supplies	1,089,000
Decrease Appropriation	

Juvenile Court Health Services

A01-HJ-5500-20600	
Other Charges	290,000
Decrease Appropriation	

Juvenile Court Health Services

A01-HJ-92-9307-20600	
Medi-Cal Cost Based Reimbursement Clinic	591,000
Increase Revenue	

Managed Care Rate Supplement

A01-HS-5500-19996	
Other Charges	35,640,000
Decrease Appropriation	

Online Real-Time Centralized Health Information Database

A01-HS-2000-19997	
Services & Supplies	12,241,000
Decrease Appropriation	

Online Real-Time Centralized Health Information Database

A01-HS-6030-19997	
Capital Assets - Equipment	992,000
Decrease Appropriation	

General Fund

A01-3306	
Approp for Cont - Canc Comm & A/P	95,000
Decrease Appropriation	

Health Services-ORCHID (EHRIS) Projects**HS-LAC+USC Med Center and LAC+USC****Healthcare Network CHC/HCS**

A01-HE-6014-65074-87222	
Capital Assets - B & I	555,000
Decrease Appropriation	

Health Services-ORCHID (EHRIS) Projects**HS-H-UCLA Med Center and MetroCare****Network-Coastal CHC/HCS**

A01-HE-6014-65074-87220	
Capital Assets - B & I	1,185,000
Decrease Appropriation	

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

- 52 - SEP 29 2015

Patrick O'Quinn
PATRICK O'QUINN
ACTING EXECUTIVE OFFICER

Online Real-Time Centralized Health Information Database

A01-HS-1000-19997	
Salaries & Employee Benefits	4,652,000
Increase Appropriation	

BA#910

Craig 9/21/15

**DEPARTMENT OF HEALTH SERVICES
YEAR-END BUDGET ADJUSTMENT
FISCAL YEAR 2014-15**

4 VOTES

SOURCES:**USES:**

**Health Services-ORCHID (EHRIS) Projects
HS-MLK MACC and MetroCare Network-
Southwest CHC/HCs**

A01-HE-6014-65074-87221

Capital Assets - B & I 1,690,000

Decrease Appropriation

**Health Services-ORCHID (EHRIS) Projects
HS-RLA National Rehabilitation Center**

A01-HE-6014-65074-87223

Capital Assets - B & I 494,000

Decrease Appropriation

Health Services-ORCHID (EHRIS) Projects

HS-OV-UCLA Med Center and ValleyCare Network-SF Valley CHC/HCs

A01-HE-6014-65074-87224

Capital Assets - B & I 2,969,000

Decrease Appropriation

Health Services-ORCHID (EHRIS) Projects

HS-HD MACC and ValleyCare Network-Antelope Valley HCs

A01-HE-6014-65074-87225

Capital Assets - B & I 54,000

Decrease Appropriation

General Fund

A01-3306

Approp for Cont - Canc Comm & A/P 3,000

Decrease Appropriation

Health Services - Realignment

A01-HS-88-8899-19999

1991 Realignment-Social Services 8,836,000

Increase Revenue

VLF - Health Services

A01-CB-88-8716-10590-10591

State-Vehicle License Fee AB1288

76,042,000

Decrease Revenue

Federal & State Disaster Aid**PW 280 Structure Replacement**

A01-CP-6014-65034-77291

Capital Assets - Building & Improv. 89,000

Decrease Appropriation

Federal & State Disaster Aid**Child Care Center Replacement**

A01-CP-6014-65034-77293

Capital Assets - Building & Improv. 348,000

Decrease Appropriation

Health Services**Rancho Los Amigos AQMD Rule 1146 Compliance**

A01-CP-6014-65036-87076

Capital Assets - Building & Improv. 404,000

Decrease Appropriation

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

52

SEP 29 2015

Patrick O'Connell
PATRICK O'CONNOR
ACTING EXECUTIVE OFFICER

BA #910

[Signature] 9/21/15

**DEPARTMENT OF HEALTH SERVICES
YEAR-END BUDGET ADJUSTMENT
FISCAL YEAR 2014-15**

4 VOTES

SOURCES:**Health Services****LAC+USC Air Compressor Replacement**

A01-CP-6014-65036-87276

Capital Assets - Building & Improv.

421,000

Decrease Appropriation

Health Services**Harbor-UCLA Mobile MRI Improvement**

A01-CP-6014-65036-87283

Capital Assets - Building & Improv.

200,000

Decrease Appropriation

Health Services**Humphrey CHC Registration Area**

A01-CP-6014-65036-87288

Capital Assets - Building & Improv.

720,000

Decrease Appropriation

Health Services**Hawkins Phase I Air**

A01-CP-6014-65036-87228

Capital Assets - Building & Improv.

756,000

Decrease Appropriation

Health Services**Various Refurbishments**

A01-CP-6014-65036-86937

Capital Assets - Building & Improv.

287,000

Decrease Appropriation

General Fund

A01-3306

Approp for Cont - Canc Comm & A/P

170,000

Decrease Appropriation

Health Services Administration

A01-HS-2000-20000

Services & Supplies

5,342,000

Decrease Appropriation

Total General Fund**\$ 174,582,000****Total Department****\$ 456,333,000****USES:**

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

- 52 -

SEP 29 2015

Patrick Ogawa
PATRICK OGAWA
ACTING EXECUTIVE OFFICER

Ent Sub - DHS Enterprise Fund

A01-AC-6100-21200-21236

Other Financing Uses

85,068,000

Increase Appropriation

Homeless and Housing Program

A01-CB-2000-26685

Services & Supplies

4,842,000

Increase Appropriation

PFU - Health Services

A01-CB-2000-13749-13760

Services & Supplies

500,000

Increase Appropriation

Total General Fund**\$ 174,582,000****Total Department****\$ 456,333,000**

BA#910
Ogawa 9/21/15

DEPARTMENT OF HEALTH SERVICES
YEAR-END BUDGET ADJUSTMENT
FISCAL YEAR 2014-15

4 VOTES

SOURCES:USES:


Noted & Approved:



Mela Guerrero, Controller
Department of Health Services

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

52 .. SEP 29 2015


PATRICK O'CONNELL
ACTING EXECUTIVE OFFICER

BA#910  9/21/15

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BOARD OF
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COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT

DEPARTMENT OF HEALTH SERVICES

DEPT'S.
NO. 110

September 29, 2015

AUDITOR-CONTROLLER:

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. PLEASE CONFIRM THE ACCOUNTING ENTRIES AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF EXECUTIVE OFFICER FOR HIS RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFOR

FY 2014-15

4 - VOTES

SOURCES

See Attachment II-B for details

USES

See Attachment II-B for details

SOURCES TOTAL: \$ 4,638,000

USES TOTAL: \$ 4,638,000

JUSTIFICATION

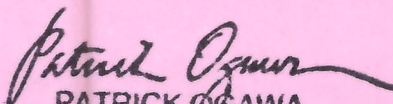
This budget adjustment is necessary to reallocate the available funding for the Measure B Special Revenue Fund in accordance with the FY 2014-15 final experience.

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES


AUTHORIZED SIGNATURE Mela Guerrero, Controller, DHS

BOARD OF SUPERVISOR'S APPROVAL (AS REQUESTED/REVISED)

52 SEP 29 2015


PATRICK OSAWA
ACTING EXECUTIVE OFFICER

REFERRED TO THE CHIEF
EXECUTIVE OFFICER FOR ...

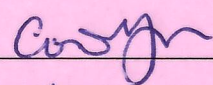
☐ ACTION

☒ RECOMMENDATION

AUDITOR-CONTROLLER

B.A. NO. 908

BY

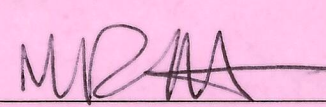

Sept. 21 20 15

☒ APPROVED AS REQUESTED

☐ APPROVED AS REVISED

CHIEF EXECUTIVE OFFICER

BY


SEPT. 21 20 15

DEPARTMENT OF HEALTH SERVICES
MEASURE B BUDGET ADJUSTMENT
FISCAL YEAR 2014-15

3 VOTES

SOURCES:

Measure B - Harbor-UCLA Medical Center

BW9-HS-6100-41010-41012

Other Financing Uses

900,000

Decrease Appropriation

Measure B - Olive View-UCLA Medical Center

BW9-HS-6100-41010-41013

Other Financing Uses

3,738,000

Decrease Appropriation

USES:

Measure B - LAC+USC Medical Center

BW9-HS-6100-41010-41014

Other Financing Uses

4,638,000

Increase Appropriation

Total

\$ 4,638,000

\$ 4,638,000

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

52 SEP 29 2015


PATRICK O'CONNOR
ACTING EXECUTIVE OFFICER

Noted & Approved:



Mela Guerrero, Contoller
Department of Health Services


BA# 908 9/21/15

DEPARTMENT OF HEALTH SERVICES
CBRC LONG-TERM RECEIVABLES


FISCAL YEAR 2014-15

(\$ in millions)

Fiscal Year	Balance
2011-12 and Prior	\$ 49.2
2012-13	31.9
2013-14	35.5
2014-15	38.5
Total	\$ 155.1

ADOPTED
 BOARD OF SUPERVISORS
 COUNTY OF LOS ANGELES

52 .. SEP 29 2015


 PATRICK OGAWA
 ACTING EXECUTIVE OFFICER